

Message Text

UNCLASSIFIED

PAGE 01 SINGAP 00386 01 OF 02 231145Z

12

ACTION EA-09

INFO OCT-01 ISO-00 EB-07 USIA-15 /032 W
----- 121839

R 231100Z JAN 76
FM AMEMBASSY SINGAPORE
TO SECSTATE WASHDC 4417
USDOC WASHDC
INFO AMEMBASSY JAKARTA
AMEMBASSY KUALA LUMPUR

UNCLAS SECTION 1 OF 2 SINGAPORE 0386

E.O. 11652: N/A
TAGS: BEXP, SN
SUBJECT: POST RECOMMENDATIONS FY 1977 CCP, SINGAPORE

REF: A) SINGAPORE 809, 2/26/75
B) STATE A-7369, 12/10/75.

SUMMARY AND COMMENT

FOLLOWING IS EMBASSY RESPONSE TO REPAIR CONTAINING
CCAG RECOMMENDATIONS ON CONTENT OF SECTIONS I, II AND
III OF FY 77 SINGAPORE CCP. BECAUSE MANY OF CAMPAIGNS
RECOMMENDED FOR FY 77 IN REFTEL A ARE NOW SCHEDULED FOR
FY 76 AND "FIFTH QUARTER", CAMPAIGN ACTIVITIES (SECTION III)
DIFFER SUBSTANTIALLY FROM THOSE IN REFTEL A. CORRESPONDING
CAPAIGN WORKSHEETS BEING AIRPOUCHED. END SUMMARY AND
COMMENT.

SECTION I: OVERVIEW

SINGAPORE 1975 GNP WAS APPROXIMATELY \$6 BILLION.
THIS REPRESENTS A REAL GROWTH OF ONLY A LITTLE MORE
THAN 4 PERCENT OVER THE PREVIOUS YEAR. SINGAPORE'S EXPORT-
ORIENTED MANUFACTURING SECTOR TURNED IN A FLAT PERFORMANCE,
DUE TO RECESSION IN THE ECONOMIES OF SINGAPORE'S MAJOR
TRADING PARTNERS. PRIVATE CONSTRUCTION, SHIPBUILDING,
AND PETROLEUM REFINING HAVE ALL BEEN NEGATIVELY AFFECTED.
WITH ECONOMIC REVIVAL IN THE U.S. AND OTHER DEVELOPED
COUNTRIES, SINGAPORE IS HOPING FOR A RETURN TO HIGHER
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SINGAP 00386 01 OF 02 231145Z

GROWTH IN 1976. NEITHER INFLATION NOR UNEMPLOYMENT

ARE CURRENTLY SERIOUS PROBLEMS, AND SINGAPORE'S BALANCE OF PAYMENTS POSITION IS HEALTHY, DESPITE A WIDENING TRADE DEFICIT. U.S. EXPORTS TO SINGAPORE EXCEEDED \$1 BILLION IN 1975. U.S. INVESTMENT IN SINGAPORE IS ESTIMATED BY THE EMBASSY AT MORE THAN \$900 MILLION. TO COMPENSATE FOR A DROPOFF IN NEW FOREIGN INVESTMENT, THE GOVERNMENT IS STIMULATING THE CONSTRUCTION SECTOR BY INCREASING SPENDING ON PUBLIC HOUSING AND INFRA-STRUCTURE. THE PRINCIPAL COMMERCIAL GOALS OF THE U.S. IN SINGAPORE ARE:

A. TO PROMOTE ACTIVELY INCREASED U.S. EXPORTS TO SINGAPORE BY SUPPORTING THE MARKETING EFFORTS OF U.S. FIRMS AND ENCOURAGING THE USE OF SINGAPORE AS A REGIONAL SHOWCASE FOR U.S. GOODS AND SERVICES;

B. TO MAINTAIN AN ATTRACTIVE ATMOSPHERE FOR U.S. PRIVATE INVESTMENT.

C. TO INCREASE THE ROLE OF U.S. ENGINEERING COMPANIES, CONSULTANTS, AND CONTRACTORS IN LOCAL MAJOR PROJECTS.

IN SUPPORT OF U.S. COMMERCIAL OBJECTIVES, U.S. GOVERNMENT EFFORTS IN FY 1977 WILL BE CONCENTRATED ON PRODUCT CAMPAIGNS IN THE FOLLOWING PRODUCT AREAS: GRAPHIC ARTS, PROCESS CONTROL INSTRUMENTATION, FOOD PROCESSING AND PACKAGING EQUIPMENT, CONSTRUCTION EQUIPMENT, MARINE ELECTRONICS, AND OIL SUPPORT INDUSTRY EQUIPMENT. THE U.S. REGIONAL TRADE CENTER IN SINGAPORE WILL HOST EXHIBITIONS ON THESE THEMES, AND ALSO LEND FACILITATIVE ASSISTANCE TO AN EXHIBITION OF CARGO/MATERIALS HANDLING EQUIPMENT IN JAKARTA. NON-CAMPAIGN ACTIVITY WILL FEATURE CLOSE MONITORING OF MAJOR PROJECT DEVELOPMENTS. A MAJOR CUSTOMARY ACTIVITY WILL CONTINUE TO BE INVESTMENT PROTECTION/FACILITATION. END OVERVIEW.

SECTION II: PERSONNEL RESOURCES LIST:
SAME POSITIONS AS SHOWN SECTION III OF SINGAPORE
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 SINGAP 00386 01 OF 02 231145Z

FY 76 CCP, WITH EXCEPTION THAT E/C SHOULD SHOW TWO FSS AND ONLY ONE FSL. TABLES 2A, 2B, AND 2C WILL BE ESSENTIALLY SAME AS SECTIONS I, II, AND III OF SINGAPORE 1064 (2/13/75), WITH THE EXCEPTION THAT ADDITIONAL FUNDS (\$600) AND PERSON-DAYS (FSO 30, FSL 40, CLERICAL 30) WILL BE ALLOTTED BY E/C SECTION TO SUPPORT SIXTH TRADE CENTER EVENT AND JAKARTA OFFSITE. FUNDS AND PERSON-DAYS FOR NON-CAMPAIGN INITIATIVES AND

CUSTOMARY ACTIVITIES MAY BE CORRESPONDINGLY DECREASED.

SECTION III A: CAMPAIGN ACTIVITIES

CAPPAIGN #1 PRIORITY RANK #5

PRINTING & GRAPHIC ARTS EQUIPMENT, SINGAPORE

JUSTIFICATION: THE U.S. PRESENTLY DOES NOT HOLD A SIGNIFICANT SHARE OF THE MARKET IN THIS FIELD. WEST GERMANY HAS ALWAYS BEEN THE LEADING SUPPLIER. OTHER IMPORTANT SUPPLIERS ARE JAPAN, THE UK, AND OF LATE, SWITZERLAND AND ITALY. THIS IS A SMALL BUT RAPIDLY GROWING MARKET, WITH GOOD REGIONAL DRAW.

CAMPAIGN #2, PRIORITY RANK #4
PROCESS CONTROL INSTRUMENTATION

JUSTIFICATION: MARKET IN THIS PRODUCT AREA HAS BEEN INCREASING RAPIDLY IN THE LAST FEW YEARS. THERE IS NO SIGNIFICANT LOCAL PRODUCTION, AND SO FAR JAPAN DOMINATES IMPORTS. AS THE PROCESSING CENTER FOR MANY COMMODITIES (SUCH AS FOOD, RUBBER, LUMBER, AND PALM OIL), AS A MAJOR WORLD CENTER FOR PETROLEUM REFINING, AND AS THE SITE OF A PROPOSED U.S. \$1 BILLION PETROCHEMICAL COMPLEX, SINGAPORE SHOULD RESPOND WELL TO A PROMOTIONAL EVENT IN THIS SECTOR.

CAMPAIGN #3, PRIORITY RANG #3

FOOD PROCESSING AND PACKAGING EQUIPMENT

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 SINGAP 00386 01 OF 02 231145Z

JUSTIFICATION: FOOD PROCESSING IS SINGAPORE'S FOURTH LARGEST INDUSTRY, AND SINGAPORE ITSELF IS BECOMING INCREASINGLY IMPORTANT AS A REGIONAL AND INTERNATIONAL SUPPLIER OF PROCESSED FOODS. TO MEET GROWING COMPETITION AND DEMAND, MANY FIRMS ARE UPGRADING THEIR FOOD PROCESSING AND PACKAGING CAPABILITIES. HIGHER LABOR COSTS AND MORE EXACTING INTERNATIONAL STANDARDS ARE ALSO CONTRIBUTING TO EXPANSION AND MODERNIZATION IN THIS INDUSTRY. A PROMOTIONAL EVENT EMPHASIZING THE LESS SOPHISTICATED AND LESS EXPENSIVE EQUIPMENT SHOULD BE WELL RECEIVED BY SINGAPORE' S SMALL BUT NUMEROUS FOOD PROCESSING ESTABLISHMENTS.

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 SINGAP 00386 02 OF 02 231208Z

10

ACTION EA-09

INFO OCT-01 ISO-00 EB-07 USIA-15 /032 W

----- 122266

R 231100Z JAN 76

FM AMEMBASSY SINGAPORE

TO SECSTATE WASHDC 4418

USDOC WASHDC

INFO AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

UNCLAS SECTION 2 OF 2 SINGAPORE 0386

CAMPAIGN #4 PRIORITY RANK # 8

OIL SUPPORT INDUSTRIES EQUIPMENT

JUSTIFICATION: ALTHOUGH THE U.S. HAS MAINTAINED A STRONG 40 PERCENT OF THE MARKET FOR IMPORTED OIL EXPLORATION/ DRILLING EQUIPMENT AND INSTRUMENTS, JAPAN'S SHARE OF THE MARKET HAS IMPROVED SIGNIFICANTLY IN RECENT YEARS. SINCE A SIZEABLE AMOUNT OF OIL SUPPORT EQUIPMENT PURCHASING DECISIONS APPEAR TO BE MADE LOCALLY, AN EXHIBITION ON THIS THEME IN SINGAPORE COULD HELP SECURE AND EXPAND THE U.S. MARKET SHARE.

CAMPAIGN #5, PRIORITY # 7

MARINE ELECTRONICS/COMMUNICATIONS EQUIPMENT EXHIBITION

JUSTIFICATION: SINGAPORE'S LARGE SHIPBUILDING/REPAIR INDUSTRY AND OFFSHORE OIL EXPLORATION SECTOR PROVIDE A GROWING MARKET FOR SHIP-TO-SHORE RADIOS AND MARINE ELECTRONIC GEAR---THIS IS GOOD FOLLOW-ON THEME AFTER FY 76 SHIPBUILDING EQUIPMENT EXHIBITION.

CAMPAIGN #6, PRIORITY RANK # 6

CARGO/MATERIALS HANDLING EQUIPMENT (JAKARTA)

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 SINGAP 00386 02 OF 02 231208Z

JUSTIFICATION: SINGAPORE OFFERS A GOOD BUT HIGHLY COMPETITIVE MARKET FOR CARGO/MATERIALS HANDLING EQUIPMENT. THE MAJORITY OF SINGAPORE'S COMMERCIAL AND INDUSTRIAL ENTERPRISES DO NOT HAVE MECHANIZED MATERIALS HANDLING OPERATIONS, BUT INTEREST IN MECHANIZATION IS GROWING DUE TO SPIRALING COSTS. A REGIONAL PROMOTIONAL EVENT AIMED AT THE MAJOR END-USERS -- GOVERNMENT AGENCIES, SHIPBUILDING/SHIP REPAIRING INDUSTRY, REGIONAL WAREHOUSES, OFFSHORE PETROLEUM INDUSTRY -- COULD HAVE A SIGNIFICANT EFFECT ON THE U.S. MARKET SHARE IN THIS SECTOR. EMBASSY THEREFORE INTENDS TO HEAVILY PROMOTE THE JAKARTA OFFSITE EVENT AMONG SINGAPORE PUBLIC AND PRIVATE END-USERS/AGENTS.

CAMPAIGN #7, PRIORITY RANK #2

ADVANCED BUILDING TECHNOLOGY

JUSTIFICATION: BUILDING SECTOR REMAINS ONE OF SINGAPORE'S LARGEST MARKETS FOR IMPORTS. PUBLIC HOUSING PROGRAM, URBAN RENEWAL PROGRAM, AND MAJOR PROJECTS SUCH AS THE NEW INTERNATIONAL AIRPORT AND PROPOSED PETROCHEMICAL COMPLEX ARE EXPECTED TO CONTINUE GENERATING GOOD SALES OPPORTUNITIES IN THIS SECTOR. AT PRESENT JAPAN IS THE MAJOR COMPETITOR, BUT THE US SHARE IS GOOD AND GROWING. CENTRAL AIRCONDITIONING EQUIPMENT AND HEAVY CONSTRUCTION EQUIPMENT AND MACHINERY TOP THE BEST-SELLER LIST.

SECTION III B: NON-CAMPAIGN ACTIVITIES WORKSHEET

ACTIVITY #1, PRIORITY RANK # 1, MAJOR PROJECTS:

SAME AS FY 1976 CCP. IN ADDITION, NEW INTERNATIONAL AIRPORT AT CHANGI NOW UNDER CONSTRUCTION WILL REQUIRE CLOSE MONITORING FOR U.S. EXPORT SALES OPPORTUNITIES. TOTAL OF US\$3 BILLION IN MAJOR PROJECTS PRESENTLY UNDER WAY, ANNOUNCED, OR UNDER ACTIVE GOS CONSIDERATION.

ACTIVITY #2, PRIORITY RANK #9, IOGA TRADE MISSION:
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 SINGAP 00386 02 OF 02 231208Z

ALTHOUGH EMBASSY IS UNAWARE OF SPECIFIC TM AT THIS TIME, IT WOULD BE A RARE YEAR INDEED WITHOUT AN IOGA TO SINGAPORE. (USDOC TM COULD BE GIVEN HIGHER PRIORITY

RANK, DEPENDING ON THEME).

GENERAL COMMENT:

EACH OF SEVEN CAMPAIGNS LISTED SECTION III A ABOVE
WILL REQUIRE FOLLOWING INPUTS: E/C FUNDS: \$300.
PERSON-DAYS: E/C SECTION - FSO 15, FSL 20, CLERICAL 15.
TRADE CENTER --FSO/GS 30, FSL 30, CLERICAL 30. CAMPAIGN
HIGHLIGHT FOR ALL SIX TRADE CENTER EVENTS WILL BE SPECIAL
AMBASSADORIAL RECEPTION TO OPEN EXHIBITS. E/C AND
TRADE CENTER STAFF WILL MAKE SPECIAL CALL CAMPAIGN ON
KEY GOS OFFICIALS AS INTEGRAL PART OF ALL EVENTS.
TWO E/C FSOS WILL BE CONCLUDING THEIR TOURS PRIOR
TO FY 77. CAMPAIGN MANAGERS THEREFORE CANNOT YET BE
NAMED.

IN-STORE PROMOTION PROPOSED STATE 278932 IS NOT
LISTED AS CAMPAIGN ABOVE. EMBASSY IS RECOMMENDING
THIS CAMPAIGN BE DEFERRED FROM JUNE, 1977 TO MID-FY
1978 BECAUSE:

1) SIXTH TC EVENT AND JAKARTA OFFSITE SUPPORT REQUIREMENTS
PUT HEAVIER THAN USUAL BURDEN ON E/C SECTION AND
TRADE CENTER IN FY 77.

2) STRONG LIKELIHOOD MAJOR PROJECTS WILL REQUIRE MUCH
GREATER E/C INPUTS IN FY 77 THAN IN PAST
YEARS (MRT, PETROCHEMICALS, AIRPORT, ETC.).

ALTERNATE CAMPAIGNS AND ACTIVITIES

PLEASE NOTE THAT MARINE ELECTRONICS AND OIL
SUPPORT INDUSTRY THEMES GIVEN LOWEST PRIORITY RANKINGS.
IF THESE THEMES UNAVAILABLE, OR MARKET RESEARCH
UNPROMISING, FOLLOWING ALTERNATE CAMPAIGNS RECOMMENDED
FOR CONSIDERATION:

UNCLASSIFIED

UNCLASSIFIED

PAGE 04 SINGAP 00386 02 OF 02 231208Z

CAMPAIGNS: 1) ELECTRONIC INDUSTRY PRODUCTION AND TEST
EQUIPMENT EXHIBIT.

2) LABORATORY INSTRUMENTS EXHIBIT.

3) ENERGY AND FLUID TRANSFER SYSTEM EXHIBIT.

ACTIVITY: HOTEL/RESTAURANT CATALOG SHOW: NEW HOTEL
CONSTRUCTION IN SINGAPORE APPEARS TO BE
REVIVING. CONSIDERATION SHOULD
BE GIVEN TO ADDING SINGAPORE TO HOTEL/

RESTAURANT EQUIPMENT CATALOG SHOW SCHEDULED
FOR THAILAND AND MALAYSIA IN JULY, 1977.
GRANT

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 23 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SINGAP00386
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760026-0465
From: SINGAPORE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760127/aaaaaxnf.tel
Line Count: 334
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 SINGAPORE 809
Review Action: RELEASED, APPROVED
Review Authority: hattaycs
Review Comment: n/a
Review Content Flags:
Review Date: 25 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25 JUN 2004 by schwenja>; APPROVED <05 OCT 2004 by hattaycs>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: POST RECOMMENDATIONS FY 1977 CCP, SINGAPORE
TAGS: BEXP, SN
To: STATE COM
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006